

HUMAN SERVICES BOARD

INTRODUCTION

FINDINGS OF FACT

2. Petitioner receives worker's compensation in the amount of \$1,259.90. Petitioner's household was eligible for \$250 monthly Food Stamp benefits while her husband was unemployed.

¹ Petitioner met the gross income test but not the net income test. Reducing her Food Stamps to zero rather than terminating Food Stamps keeps petitioner's family eligible for other programs such as the school lunch program.

3. Petitioner's husband became employed. Petitioner notified the Department and supplied the Department with her husband's pay stubs for the month of November 2008. The Department calculated the husband's gross monthly income as \$1,013.25.

4. Petitioner receives rental assistance through a local housing authority. The housing authority recalculated the petitioner's share of her rent. Starting December 1, 2008, petitioner's rent increased from \$373 per month to \$552 per month. Petitioner is responsible for her utility costs.

5. S.S. is a benefits program specialist who handles petitioner's Food Stamp case. D. B-B. is a supervisor. Both testified at hearing. D. B-B. explained the different steps in determining eligibility and then calculating benefits.

After learning of the household changes, S.S. recalculated the petitioner's Food Stamps to include the changes to the household's income and rent.

There are two income tests that apply in Food Stamp cases. S.S. determined that petitioner met the gross income test. S.S. then applied all the applicable disregards including the earned income disregard, standard deduction, and shelter allowance to determine if petitioner met the net income test. Her calculations are as follows:

Gross earned income		\$1,013.25
Unearned income	plus	1,259.90
Earned income deduction	minus	202.65
Standard deduction	minus	144.00
Shelter allowance	minus	<u>332.75</u>
Countable food stamp income		1,593.75

The shelter allowance was determined by (1) calculating net income (gross income minus earned income deduction and standard deduction) of \$963.25, (2) adding rent of \$552 to the standard utility allowance of \$744 = \$1,296, and (3) subtracting net income from the shelter costs = \$332.75.

Petitioner's countable monthly Food Stamp income of \$1,593.75 exceeds the monthly income limits of \$1,467 for a three person household.

ORDER

The Department's decision is affirmed.

REASONS

The Food Stamp Program was created to combat hunger and malnutrition among low income households. Food Stamp Manual § 271.1. The amount of Food Stamps a household receives is based upon a complex formula that is set out in the Food Stamp Manual (FSM) and that reflects the level of federal funding for the Food Stamp Program. FSM § 273.9. This

formula includes all earnings except for those earnings that are specifically excluded. FSM § 273.9(b).

Changes to a household's income or certain expenses trigger a recalculation of Food Stamp benefits. In petitioner's case, her household income increased when her husband became employed. However, her household expenses increased when her rent was increased.

Understanding the impact of the shelter allowance is difficult. An increase in rent does not necessarily trigger a dollar for dollar increase in the shelter allowance. In addition, calculating the shelter allowance is tied to the household's net income. The shelter/utility allowance is determined by (a) adding the rent to the standard utility allowance, and (b) subtracting an amount equal to 50 percent of the household's net income. FSM § 273.9(d)(5)(i). The Department correctly determined the amount of the shelter deduction and then applied it correctly in their calculations.

The Department correctly calculated petitioner's countable Food Stamp income and used all applicable deductions. Based on the guidelines, petitioner's countable monthly income of \$1,593.75 exceeded the maximum monthly income limit of \$1,467 for a household of three. P-2590D.

As a result, the Department's decision is affirmed. 3
V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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